



Chapter Twenty-four

LETTING AND CONTRACT AWARD

BUREAU OF LOCAL ROADS AND STREETS MANUAL

Chapter Twenty-four
LETTING AND CONTRACT AWARD - Federal Funds

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Chapter Twenty-four

LETTING AND CONTRACT AWARD - Federal Funds

Chapter 24 discusses the letting and contract award requirements for State-let projects and Federally funded local-let, and day labor projects.

24-1 STATE-LET PROJECTS

24-1.01 Local Agency Submission

24-1.01(a) Content

For State-let projects, the local agency is responsible for submitting the PS&E to the district for approval. For all PS&E packages, include the following information:

- original plan sheets, paper, and mylar are both acceptable. If paper is used, the cover sheet and the summary of quantities must be mylar. Final plans submitted should not contain suffix pages. Total sheet count should match total sheets in set. Pay item names should not be abbreviated;
- a copy of the draft joint agreement;
- the estimate of time;
- construction cost estimate;
- any Special Provisions;
- a completed "Check Sheet of Supplemental Specifications and Recurring Special Provisions," BDE Special Provisions;
- the status of right-of-way and utilities; and
- rail agreements, US Army Corps of Engineers permits, and Storm Water Pollution Prevention Plan, where applicable.

24-1.01(b) Plans and Specifications

The local agency should ensure the following is completed when submitting the plans and specifications:

1. Special Provisions. Submit 3 copies of the Special Provisions to the district. Ensure that the Special Provisions included in the submission are camera-ready originals, not copies, printed on one side, and are on letter sized plain white bond paper.

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2. Estimate of Time Required. Exercise care when estimating contract time. Contract time, working days, and calendar days are defined in the *IDOT Standard Specifications*. Unreasonable time limitations will unnecessarily increase bid prices and the potential for claims, which is especially important if the proposal includes provisions for liquidated damages. However, time is of the essence on all construction projects. Once work has begun, the traveling public expects the construction to be completed in a timely manner with minimal delays. Excessive working days will allow the contractor to delay the completion of the project. The procedures and factors to consider when estimating contract time are discussed in Section 66-2 of the *BDE Manual*. Submit 4 copies of Estimate of Time Required (Form BDE-220).
3. IDOT Highway Standards. List the applicable *IDOT Highway Standards*, by number and title, in the index on the Plan Title Sheet. However, do not assign them a sheet number. These sheets will be inserted in the plans when they are printed.
4. Check Sheet. Submit the "Check Sheet for Supplemental Specifications and Recurring Special Provisions" with the applicable Special Provisions denoted by an "X." Show the route, section number, project number, and local agency name in the upper, right-hand corner of the Check Sheet. Submit 4 copies of the Check Sheet.

24-1.01(c) Estimates

The local agency is responsible for preparing two separate Estimates of Cost Sheets (Form BDE-213), one with prices and one without. These are described as follows:

1. Estimate of Cost with Prices. Submit all estimates for local agency Federal-aid projects to be included in the State letting, directly to the district BLRS. Plainly mark the enclosing envelope "Confidential."
2. Estimate of Cost without Prices. Submit 3 copies (unless submitted electronically) of the Estimate of Cost without prices with the plans to the district. Include a summary of the quantities clearly listing the quantities, units, and pay items. Do not abbreviate pay item names.

24-1.02 IDOT Review and Approval

24-1.02(a) District Office

The district will perform the following functions:

1. Certification/Project Status. The district will complete the Certification/Project Status (Form BLR 24110) and include it with all PS&E submittals to Central BLRS. This submission must be made a minimum of 9 weeks before the scheduled letting date.

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2. Supporting Documentation. In addition to Form BLR 24110, the district will include the following:
 - transmittal memo;
 - original plans;
 - project number, see Section 2-4;
 - 2 copies of the Special Provisions;
 - 2 copies of the Estimate of Time (Form BDE-220);
 - 2 copies of the "Check Sheet for Supplemental Specifications, Recurring Special Provisions" and BDE Special Provisions;
 - 2 copies of the Estimate of Cost without prices;
 - the status of utilities, if not addressed in the Special Provisions; and
 - rail agreements, US Corps of Engineers permits, and Storm Water Pollution Prevention Plan, where applicable.
3. Independent Estimate. The district will prepare an independent estimate. The district estimate of cost will be compared to the completed estimate of cost prepared by the local agency. If the district's estimate varies by more than 1% from the local agency estimate, the district will contact the local agency to resolve the discrepancy.

24-1.02(b) BDE Engineer of Estimates

The BDE Engineer of Estimates will review and approve all project estimates with prices. The BDE Engineer of Estimates will consult with the district to resolve differences.

24-1.03 Letting and Award

Adherence to the criteria contained in this Section is a necessary prerequisite to advance the construction of all Federal-aid projects. See Section 24-2 and 24-3, respectively, for additional information on Federally funded local-let and day labor projects.

24-1.03(a) Preparation/Assembly of Proposals

A proposal refers to the total compilation of pertinent bidding information relative to the project and assembled into a single booklet for issuance to prequalified bidders; see Section 24-1.03(d). The Project Support Unit in the Central BLRS is responsible for the preparation and assembly of proposals necessary for the successful completion of State-let projects. Consider the following:

1. Contents of Proposals. See Chapter 66 of the *BDE Manual* for additional guidance on the proposal contents. The proposal will state the location and description of the contemplated construction and will show the pay items. The proposal will include:
 - Notice to Bidders;
 - Proposal Form;
 - Schedule of Prices;
 - State required *Ethical Standards Governing Contract Procurement Assurances, Certifications, and Disclosures*;
 - Bidder's Employee Utilization Form (Form BC-1256);
 - Signature Sheet;
 - Proposal Bid Bond Form;
 - Check Sheet for Supplemental Specifications and Recurring Special Provisions;
 - Special Provisions including Special Provisions for DBE, and EEO and Affirmative Action percentage goals/forms;
 - Required Contract Provisions; and
 - Wage Rates Notice.
2. Wage Rates. Federal wage rates define the payment of wages for laborers, mechanics, and other workmen involved during the project construction. These rates, as determined by the US Secretary of Labor, will be included in all Federal-aid contracts. These wage rates do not apply to Transportation Enhancement projects not located on Federal-aid highways.
3. DBE Requirements. Local agency projects awarded by IDOT (i.e., projects advertised in the *IDOT Transportation Bulletin*) will follow the DBE Program developed by IDOT.

24-1.03(b) Advertisement for Bids

An advertisement is a public announcement, as required by law, inviting bids for work to be performed or materials to be furnished. All Federal-aid projects must be advertised for bidding. IDOT issues advertisements for proposed State-let projects in the *Transportation Bulletin*.

24-1.03(c) Securing Right-of-Way Prior to Advertisement

All right-of-way must be secured before the project is authorized by the FHWA and advertised for letting. For the right-of-way to be clear, the right-of-way must be secured, paid for, and vacated. Prior to each letting, the district must submit a right-of-way certification letter to the Central BLRS for each project involving right-of-way a minimum of 2 days before authorization.

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This letter should originate from the district Land Acquisition Section. It is important that the district Land Acquisition Section review is completed by the scheduled date, because the FHWA requires right-of-way certifications before projects are authorized for advertisement. For purposes of reporting the right-of-way status, right-of-way includes all fee simple acquisitions, permanent or temporary easements, and/or temporary use permits required for the construction, operation, and maintenance of any project that is being considered for advancement to the letting stage. Secured right-of-way that requires the displacement of any individuals, families, businesses, or farm operations, or any of their personal property situated thereon, is considered vacated only when those being displaced have relocated themselves and all their personal property from the acquired right-of-way. For further guidance, see *IDOT Land Acquisition Manual*.

24-1.03(d) Issuance of Proposals and Plans

IDOT has established the following requirements with respect to contractor participation in the bidding process for lettings.

1. Authorization to Bid. Authorization to bid is issued to prequalified contractors who have sufficient financial and work ratings that indicate their ability to complete work on which they wish to bid. Requests for authorization to bid are submitted to the Central Bureau of Construction's Prequalification Section using the forms provided in the *Transportation Bulletin* or on the IDOT website. The Prequalification Section analyzes each request for authorization to determine if the contractor has sufficient prequalification. Upon determination of sufficient prequalification, notification is given to the Proposals and Contracts Subunit to send letters of authorization to bid to the contractor.
2. Subcontractors and Material Suppliers. Subcontractors and material suppliers are not required to be prequalified and will not be considered authorized to bid.
3. Addendums to Proposals and Plans. When an addendum will be issued on a project, the Central BLRS Project Support Unit will issue the addendum. Addendums will be posted on IDOT's website.

24-1.03(e) Letting of Projects

A letting is the official, public opening and reading of submitted bids by the awarding authority for the purpose of determining the lowest responsible bidder. At the time and place specified in the *Transportation Bulletin*, the total amount of each bid, including any alternates and combinations, is read aloud to those parties present.

24-1.03(f) Award/Execution of Contracts

An award is the decision of IDOT to accept the proposal of the lowest responsible bidder for the work, subject to the execution and approval of a contract and receipt of a contract bond. The following applies to contracts:

1. Award of Contract. The award of contract will be made within 45 days after the letting to the lowest responsible, qualified bidder whose proposal complies with all prescribed requirements. If the contract is not awarded within this time limit, a bidder may file a written request to IDOT and withdraw the bid. The following applies to the awarding of contracts:

Concurrence. The local agency must concur with the award. To expedite the contract award process, Form BLR 05310 states that executing the joint agreement constitutes concurrence in the award of the construction contract to the lowest responsible bidder. All non-standard agreements should contain similar language. The local agency is responsible for providing the district with verbal concurrence after the letting.

Post-Letting Review. On the day of the State letting, BDE will publish a post-letting review, indicating the preliminary intent to award. This list is available on the IDOT web page by 3:00 pm on the day of the letting and only indicates if a project is within the awardable range. The following applies:

For projects within the awardable range, it is the district's responsibility to verify and notify the Central BLRS that the local agency concurs in the award. The award process will be initiated when notification is received from the district.

For projects outside the awardable amount of the Engineer's Estimate, the Central BLRS will discuss with BDE the issues concerning the project. If BDE believes that an award may be possible, the district should then contact the local agency to obtain their concurrence and notify the Central BLRS of the local agency's consent. Depending on the issues involved, BDE may request a letter from the local agency justifying their desire to award a project.

Because the award committee will meet on the second Tuesday after the letting, the district should notify the Central BLRS of the local agency's desire by early that morning so that the Central BLRS can make recommendations to the award committee and not delay the award process.

Award and Rejection Letters. An award letter is sent to the low bidder stating the bid prices and indicating if railroad insurance is required. A rejection letter is sent only to the second low bidder. If all bids are rejected, both the low and second low bidder are sent a rejection letter.

Preparation of Contract. When a project is awarded, a contract is prepared by BDE and sent to the low bidder for execution.

2. Execution of Contract. The contract must be executed by the successful bidder and returned to BDE, together with the Contract Bond, within 15 days after the contract has been mailed to the bidder.

Failure of the successful bidder to execute the contract and file acceptable bonds within 15 days after the contract has been mailed to the bidder will be just cause for cancellation of the award and forfeiture of the Proposal Guaranty. Award may then be made to the next lowest responsible bidder, or the work may be readvertised, as IDOT may decide. If the contract is not executed by IDOT within 15 days following receipt from the bidder of the properly executed contracts and bonds, the bidder may withdraw its bid without penalty.

3. Post Award Documents. After the project is awarded, the Central BLRS will prepare the detailed estimate, the project agreement, and the award notice. These are used as the basis for paying the contractor, billing the local agency for its share of the cost, and getting reimbursement from the FHWA.

24-2 LOCAL-LET FEDERALLY FUNDED PROJECTS**24-2.01 Candidate Projects for Local Letting (Federal Funds)**

Local-let projects with Federal funds may include:

- enhancement projects being constructed in conjunction with a larger MFT- or local-financed project;
- projects so small that a local letting is more appropriate;
- projects of a type not typically included in State lettings (e.g., buildings);
- non-highway projects (e.g., independent bikeways, sidewalks, landscaping); and
- projects for which Federal funds are included in materials only.

Other instances will be determined on a case-by-case basis by the Central BLRS and the District Local Roads Engineer.

24-2.02 Approval of Local Agency to Local Let

If a local agency is found to be adequately staffed, IDOT may extend to the local agency the authority to let and award projects, but reserves the right for concurrence or rejection in the award. The district will submit to the Central BLRS a request from the local agency to administer a local letting. The memo will indicate that the district has determined the local agency is capable of administering a letting and contract for the type of project involved and include any district recommendations. The Central BLRS must concur in the request before any commitments to the local agency are made and prior to any the preparation of any documents.

24-2.03 Disadvantaged Business Enterprise Program (DBE)

The purpose of this program is to ensure the use of DBE in all aspects of contracting by a local agency when Federal funding is involved. The local agency will use this program for the procurement of consultant engineering and any procurement for construction projects that are awarded. This program should be circulated throughout the local agency's organization and to minority, female, and non-minority community business organizations. The following applies:

1. Designation of Liaison Officer. The local agency will designate a DBE Liaison Officer. The DBE Liaison Officer is responsible for developing, managing, and implementing the DBE program. Notify the district of the selection of the Liaison Officer.
2. Procedures. The local agency must implement the following procedures to obtain DBE participation:
 - maintain a list of DBEs to be contacted and/or use IDOT's DBE Directory,

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- provide written notice to DBEs within the local agency's area that their interest in a proposed contract is solicited,
 - provide interested DBEs with information on proposed projects,
 - request attendance of interested DBEs at projects informational meetings, and
 - offer assistance in obtaining bonding or insurance requirements.
3. Use of Minority Banks. The local agency will investigate and consider using the services offered by banks owned and controlled by minorities and women within their community and also suggest that all prime contractors do the same.
 4. DBE Directory Availability. The local agency's DBE Liaison Officer will provide an up-to-date DBE Directory to all bidders and proposers.
 5. Determination of Eligibility of DBEs. Firms that are certified as DBEs by IDOT will be eligible to participate as DBEs under this Program.
 6. DBE Requirements. It will be the position of all local agencies that DBEs be afforded the opportunity to actively participate in the economic mainstream of engineering, construction, and other professional services where Federal funds are involved. The DBE participation in the contract dollar amount of all IDOT grants will be accumulative and include local agency awarded contracts and IDOT awarded contracts. A review of each project will be conducted by IDOT to identify contracting activities with the greatest potential for DBE participation.
 7. Contractor Requirements for Identifying DBEs. Figure 24-2A presents a copy of the "Contractor/Consultant Disadvantaged Business Enterprise Requirements and Certification" document that must be included in all invitation proposals. This document provides a written assurance from contractual firms and includes a requirement for subcontracting.
 8. Selection Criteria for Awards. Selection of the contractual firm will be based on the determination of whether or not the competitor offering the lowest reasonable price has also certified its compliance with DBE requirements included in the contract.
 9. Methods to Ensure Contractual Compliance with DBE. The DBE requirements will be provided to the prime contractual firm. The contract agreement will necessitate that every effort will be used to meet DBE contract requirements. Failure to carry out DBE requirements will constitute a breach of contract and may result in termination of the contract or other remedy as deemed appropriate.

**Contractor/Consultant
Disadvantaged Business Enterprise
Requirements for Certification**

It is the policy of the US Department of Transportation that disadvantaged business enterprises, as defined in 49 *CFR* Part 26, shall have the maximum opportunity to participate in the performance of contracts/agreements financed in whole or part with Federal funds under this contract/agreement.

The Contractor/Consultant agrees to ensure that disadvantaged business enterprises, as defined in 49 *CFR* Part 26, have the maximum opportunity to participate in the performance of this contract/agreement. In this regard the Contractor/Consultant shall take all necessary and reasonable steps in accordance with 49 *CFR* Part 26 to ensure that disadvantaged business enterprises have a level playing field to compete for and perform portions of this contract/agreement. The Contractor/Consultant shall not discriminate on the basis of race, color, national origin, or sex in the selection and retention of subcontractors, including procurement of materials and leases of equipment.

The Contractor/Consultant shall include the provisions of this "Policy" in every subcontract, including procurement of materials and leases of equipment.

Failure to carry out the requirements set forth above shall constitute a breach of this contract/agreement and may result in termination of the contract/agreement or such remedy as deemed appropriate.

**CONTRACTOR/CONSULTANT DISADVANTAGED BUSINESS
ENTERPRISE REQUIREMENTS FOR CERTIFICATION**

Figure 24-2A

24-2.04 Contractor Prequalification Requirements

All prospective bidders on construction contracts estimated to cost more than \$50,000 must be prequalified. See Section 12-1.04 for additional information on prequalification. Consider the following:

1. Highway Projects. IDOT prequalification is required for highway related projects.
2. Non-Highway Projects. For non-highway projects (e.g., independent bikeways, sidewalks, landscaping), the local agency may request approval to use established local contractor qualification procedures.
3. Building Projects. Capital Development Board (CDB) prequalification is required for building construction projects. The local agency should obtain a list of prequalified contractors from the CDB one week prior to issuing any proposals. The local agency should require contractors to provide a copy of their CDB prequalification letter prior to receiving bidding documents.

24-2.05 Proposal Submittal and Review

For local-let Federally funded projects, the local agency is responsible for submitting the proposal to the district for Central BLRS approval. The following applies:

1. Contract Proposals. Include the following with the contract for local-let projects with Federal funds:
 - BID Cover Sheet (Form BLR 12210);
 - Notice to Bidders (Form BLR 12220);
 - Contract Proposal (Form BLR 12221);
 - Schedule of Prices (Form BLR 12222);
 - Proposal Signatures (Form BLR 12223);
 - Proposal Bid Bond (Form BLR 12230);
 - Affidavit of Availability (Form BC-57), if IDOT prequalification is required;
 - Modified DBE Special Provision, if applicable;
 - DBE Participation Statement (Form SBD-2025), if applicable;
 - DBE Payment Agreement (Form SBE-2115), if applicable;
 - DBE Utilization Plan Modified for Use by the local agency (Modified Form SBE-2076), if applicable;
 - Bidder's Employees Utilization Form (Form BC-1256);
 - Certification and Assurances;

- Check Sheet for Supplemental Specifications and Recurring Special Provisions;
 - Contract Special Provisions;
 - Required and Applicable Local Roads Special Provisions, BDE Special Provisions including for DBE participation in local-let contracts, and Guide Bridge Special Provisions;
 - FHWA 1273 required Contract Provision;
 - Federal Wage Rates; and
 - Subcontractor Payment Agreement (Form BC 2115) if applicable (to be completed upon completion of the project).
2. Material Proposals. Include the following with material proposals for local-let projects:
- BID Cover Sheet (Form BLR 12210);
 - Notice of Material Letting Material Proposal (Form BLR 12240);
 - Material Schedule of Prices (Form BLR 12241);
 - Check Sheet for Supplemental Specifications and Recurring Special Provisions;
 - Required and Applicable Local Roads Special Provisions, BDE Special Provisions, and Guide Bridge Special Provisions;
 - Contract Special Provision; and
 - Federal and State Prevailing Wage Rates, if applicable.
3. Environmental Requirements. All Federal environmental requirements must be met for the entire contract as set forth in Chapters 18 and 19.
4. Right-of-Way. Federal right-of-way requirements must be met for the entire contract. This includes Bureau of Land Acquisition certification.
5. Estimates. The District Estimator will review and advise the local agency and district of their findings. The Estimator will not need to establish an estimate in the BDE Contract Maintenance (ECM) System; however, standard pay item numbers should be used whenever possible to aid in estimate review.
6. EEO/DBE Considerations. The District BLRS Engineer will request the District EEO and the Labor Compliance Officer to review the project for compliance with DBE requirements and establish required DBE percentage goals, where applicable. If DBE participation is assigned for the project, include the Special Provision "Modified DBE Special for Local Let and Awarded Projects" and the "Utilization Plan Modified for Use by local agency" in the bidding proposal. The contractor will submit its DBE Utilization Plan to the local agency within 7 working days of the letting.

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7. Wage Rates. Federal wage rates apply to the entire contract. In any material proposals for day labor projects that contain bid items to be directly incorporated into the work with other than local agency forces (e.g., roadway components bid in place). The payment of prevailing wage rates relative to bid items in material proposals that are not directly incorporated into the work is governed by 820 ILCS 130/3 and may or may not apply. The current law appears to exempt hauling by material suppliers to a stockpile location. Wage rates included in material proposals apply only to that work performed by other than local agency forces. Do not include the wages of local agency forces in the bidding documents. However, the wages paid to employees of the local agency should also comply with the appropriate requirements of 820 ILCS 130/4.
8. Certification/Project Status (Form BLR 24110). The district will approve and submit to the Central BLRS a copy of the proposed bidding proposal, Form BLR 24110, and the PS&E. Federal participating items need to be broken out on all plans and estimates.

The Central BLRS will review proposal submittals to ensure compliance with Federal requirements. Any additional requirements that need to be included will be sent to the district for inclusion in the approved bidding proposal. The Central BLRS will request Federal authorization after receipt of the locally executed joint agreement and obligation of funds when all requirements have been addressed.

24-2.06 Advertisement

The Central BLRS will notify the district in writing when the project may be advertised in the *Notice to Contractor's Bulletin* and locally. A 21 day advertisement period is required. See Section 12-3.01 for guidance on advertisements. The local agency may also advertise building construction contracts in the Capital Development Board (CDB) Bid Information Newsletter. The Central BLRS will contact CDB if the local agency wants to advertise in the CDB Newsletter. The Central BLRS will coordinate the advertisement with CDB. Notify the Central BLRS as soon as practical when intending to advertise in the CDB Newsletter.

24-2.07 Letting and Award

The district is required to attend the local letting to ensure compliance with IDOT procedures. The Central BLRS will concur in the award for local-let contracts based on submission of the following:

- Recommendation to Award from the local agency and the district;
- Tabulation of Bids;
- Affidavit of Availability (Form BC-57), if applicable; and
- DBE Utilization Plan Modified for Use by local agency, if applicable.

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The Central BLRS will concur in the award for local-let, material-only projects based on submission of the following:

- Tabulation of Bids; and
- the recommendation to award from the local agency and the district.

The district will approve the executed contract or Acceptance of Proposal to Furnish Material and Approval of Award (Form BLR 12330) and forward one copy to the Central BLRS. The Central BLRS will then prepare the detailed estimate and project agreement used to obtain reimbursement from the FHWA.

24-3 LOCAL DAY LABOR PROJECTS (FEDERALLY FUNDED)

Part 635B of 23 *CFR* provides that a local agency may perform Federally funded construction work either by contract or by day labor. Section 24-3 describes the procedures that will ensure compliance with legal requirements, the timely execution of project documents, and the completion of the proposed local day labor project. All environmental, public involvement, and design issues shall be addressed and the project included in IDOT's Annual Program in the fiscal year construction is anticipated.

24-3.01 Local Agency Assessment

A local agency desiring to perform Federal-aid work with its own forces will prepare an assessment of its capabilities. The assessment should include all day labor projects proposed for a program year. The assessment will identify the local agency, section number(s), project number(s), and the information presented in the following Sections.

24-3.01(a) Contents

The assessment should contain the following:

1. Proposed Work. Include a description of work to be performed for the section(s) (e.g., termini, length, scope, estimated costs, estimated working days, major construction pay items).
2. Previous Work. Include a description of work of this type that the local agency has previously performed with its own forces (e.g., section number if applicable, length, scope, working days). Previous work performance by the local agency must demonstrate that the local agency can perform the proposed work in accordance with the *IDOT Standard Specifications*.
3. Personnel. Include a list of key personnel and their related experience that qualifies them to carry on all phases of the work properly and economically. Identify the resident engineer/resident technician to be in charge of construction, along with any other inspectors and their documentation training, as well as other pertinent training; or provide documentation of the resident engineer's experience and past performance. The resident engineer/resident technician assigned to the project by the local agency must have successfully completed IDOT's documentation class, or the local agency must provide documentation of satisfactory past performance of the assigned personnel. The completion of appropriate Specific Task Training Program courses is desirable.
4. Equipment. List the equipment needed to perform the work and to perform necessary testing, and indicate if it is owned or leased by the local agency. Identify any agencies that will be used to perform special testing. Sufficient local agency owned or leased equipment and forces must be available to perform the work required, and the

equipment must conform to the requirements prescribed in the *IDOT Standard Specifications*.

5. Other Information. Include any other information that will assist IDOT in its decision to approve this work to be performed by day labor forces.

24-3.01(b) Submittal

The local agency will submit the Local Agency Assessment to Perform Federal-Aid Work by Day Labor Forces to the district. Based upon the district's review of the local agency's capability, the district will forward the assessment with an appropriate recommendation to Central BLRS. In the case of counties, day labor projects will only be approved when a fully qualified county engineer is in place.

24-3.01(c) BLRS Review

The Central BLRS, once satisfied with the recommendation, will forward the local agency assessment to the Deputy Director of Highways for approval of projects estimated to cost greater than \$100,000. All other projects will be approved by the Central BLRS. Formal concurrence will be provided to the district.

24-3.02 PS&E Submittal

The local agency is responsible for submitting the PS&E to the district. The following applies:

1. Estimate. Estimates for day labor projects should be prepared using the BDE publication *Data for Cost Estimates of Highway and Street Construction*. The total estimate must be broken down into an estimate for proposed material costs and an estimate for proposed labor and equipment costs. If the local agency proposes to use existing stockpiled materials or material from approved quotations, documentation of costs established through competitive bidding will be required.

The BDE Engineer of Estimates will review the total estimate, accompanied by the material cost estimate, the labor, equipment cost estimate, and the supporting documentation. A comparison will be made to like pay items included in State-let contracts that have been awarded in the area of the proposed work. For projects over \$30,000, it must be demonstrated that the use of day labor procedures is cost effective (i.e., contract construction versus day labor construction). If the proposed unit prices are not acceptable, the local agency will be notified to resolve differences and establish mutually acceptable pay items costs. A copy of the revised estimate will be sent to the district and local agency when applicable.

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2. Plans, Specifications, and Material Proposals. Submit the plans, specifications, and material proposal, with support documentation to the district. See Section 24-2.05 for contents of the material proposal.
3. Local Agency Agreement of Federal Participation (Form BLR 05310). The local agency will execute and submit to the district Form BLR 05310 (see Chapter 5).
4. Certification/Project Status (Form BLR 24110). The district will complete Form BLR 24110 and include it with the PS&E submittal to the Central BLRS.
5. Federal Authorization. Federal authorization will be requested once the plans, specifications, and estimate are approved and Form BLR 05310 has been executed.

24-3.03 Letting and Award

The following procedures will apply:

1. Advertisement. After FHWA authorization is received, the Central BLRS will, by letter, authorize the local agency to advertise for bids on the items contained in the material proposal. All material lettings will be advertised for letting in the *Notice to Contractor's Bulletin* for a period of 21 days.
2. IDOT Approval. The Regional Engineer may proceed with the approval of Form BLR 12330 and written notice to proceed with construction if the total project cost does not exceed the approved estimate by more than 5%. Any adjustment of quotations should also be considered in this 5% limit. All other bids will be submitted to the Central BLRS for review and approval prior to district approval of the Form BLR 12330 and notice to proceed with construction. The district must submit a copy of their notice to proceed, bid tabs, documentation to support quotations, and/or stockpile materials, and a copy of completed "Schedule of Prices," when applicable, to the Central BLRS for all projects.
3. Unit Prices Agreement. The acceptable labor and equipment costs, and the acceptable low bid material prices are combined to establish a unit price for each pay item. The Central BLRS will issue a letter instructing the local agency to adopt at their next board/council meeting Form BLR 24310. The agreement establishes the unit prices with extensions and the total cost. These unit prices remain fixed for the duration of the project. The district will submit Form BLR 24310 to the Central BLRS for IDOT execution. The project is entered into the Bureau of Construction's pay system at this point to be used as a basis for reimbursing the local agency. Projects costing less than \$30,000 will not be issued through the Bureau of Construction. The Central BLRS will pay the invoices for these projects.
4. Post Award Documentation. The Central BLRS prepares the detailed estimate and award report.

